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MEMORANDUM

17 October 1975

Subject: Preliminary Comments on "American Intelligence:

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## 1. General

-A strong intelligence system is indispensable to the country, but present circumstances make it necessary that there be broader Congressional and public understanding of its functions. A vigorous and long-term effort must be made to build confidence in intelligence, and this will require a reduction in the general secrecy applied to all intelligence, much of which is unneeded.

A Framework for the Future"

-Change within the community should be made deliberately, building from existing institutions and with considerable discussion with Congress - perhaps a joint intelligence committee. A major rearrangement, even as essentially moderate as proposed in this paper, can be seen outside as a cosmetic effort to minimize Congressional efforts at restructuring.

## 2. Oversight and Organization

-Strengthened outside oversight is inevitable. Within the Executive Branch this should be vested in OMB and in a full-time PFIAB with a larger and more expert staff drawn from within the agencies and from outside business management.

-There is no point in trying to consolidate intelligence production; Defense would promptly replace any outfits it lost, as the history of DIA and service intelligence agencies shows. Intellectual redundancy is necessary and productive.

-We agree with the idea of an ExCom for the CCP but would argue that ExCom should make the major resource decisions for the NRP (as it does) and the CIAP and GDIP as well. Because of the importance of these resource decisions to foreign policy, State should have a vote in that ExCom in addition to the Secretary of Defense and the DCI.

-It should be axiomatic that CIA should be preserved as an independent intelligence voice on substantive matters, as was intended in the National Security Act of 1947. Converting its production elements into staff support for a DGI in the NSC would endanger that principle.

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-The DGI should not be a member of the NSC on an equal basis with the Secretaries of State and Defense. The DCI's role as the President's principal intelligence advisor would suffer, and that role must be maintained.

-The NSCIC should be headed not by the DGI or DCI but by the Under Secretary of State for Political Affairs as the best spokesman for policy level users of intelligence, and he should make greater efforts to ensure the consumer feedback which is essential to improved allocation of intelligence resources.

-There is no need for an Intelligence Coordinating Committee to handle non-substantive relations between State and CIA; machinery already exists for this in INR's DDC. Likewise, there is no need to create an Under Secretary of State for Intelligence; this role is filled by the Under Secretary for Political Affairs. This position should be used to strengthen the linkage between Foreign Service reporting and intelligence needs, particularly in economic intelligence matters and to play a greater part in the control of the Clandestine Services - beyond the role played in the 40 Committee.

-Statutory definition of the DCI's role in resource matters is needed if he is to have effect on the allocation of Defense assets. Similarly, the DCI's right of inspection must be clarified if he is to have the information needed for a greater resource role.

-Separating the DCI from CIA creates more problems than it solves and should be rejected as an option. An increased responsibility for resources and other community management matters will force a DCI to delegate more of CIA management to his Deputy and turn to a Community leader role.

-Separating the Clandestine Services from Covert Action has proved to be unworkable and should be abandoned as an idea. And there is no other place to put these functions than in CIA; they would be an embarrassment in State and a major threat to State's role in foreign policy if they were in Defense.